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**CLERK OF DISTRICT COURT
SOUTHERN DISTRICT OF IOWA**

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF IOWA

UNITED STATES OF AMERICA,

Plaintiff,

v.

PAMELA J. WARD, a/k/a PAM WARD,

Defendant.

CRIMINAL NO. 4:12-cr-195

INDICTMENT

T. 18 U.S.C. § 1001(a)(2)

THE GRAND JURY CHARGES:

INTRODUCTORY ALLEGATIONS

At all times relevant to this indictment:

1. The Federal Transit Authority (FTA) is an agency of the United States Department of Transportation (DOT). The FTA provides grant funding to states for distribution to local government agencies responsible for transportation services. These grants include funds for public transportation in rural areas with population of less than 50,000, pursuant to 49 U.S.C. § 5311 (Section 5311 funds).
2. The Iowa Department of Transportation (IDOT) receives Section 5311 grant funds from the FTA for distribution to local transit service providers throughout the State of Iowa.
3. IDOT is required by FTA to provide funds to local transit providers in a fair and equitable manner. To comply with the fair and equitable distribution requirement, one factor IDOT bases its distribution of FTA Section 5311 grant monies on is the number of riders utilizing a local transit provider's services: the higher the ridership, the more FTA grant funding a local transit provider receives.

4. Ridership data is reported by local transit providers to IDOT. Data submitted by the local transit providers is relied upon to determine the amount of FTA grant funding the local transit provider will receive two years after the data is submitted.

5. The Ottumwa Transit Authority (OTA), located in the City of Ottumwa, Iowa, provides transportation services to the community in and around Ottumwa, Iowa, in the Southern District of Iowa. OTA is an organization and local government agency which receives money from the federal government, including Section 5311 grant funds.

6. 10-15 Transit is a public transportation system providing rural transit services in Appanoose, Davis, Jefferson, Keokuk, Lee, Lucas, Mahaska, Monroe, Van Buren, Wapello and Wayne Counties. 10-15 Transit is an organization and local government agency which receives money from the federal government, including Section 5311 grant funds.

7. Defendant PAMELA J. WARD A/K/A/ PAM WARD was the Administrator of OTA and 10-15 Transit. Part of Defendant PAM WARD's duties as Administrator of OTA and 10-15 Transit included submitting ridership data to IDOT in support of Section 5311 funding. Defendant PAMELA J. WARD was required to certify that the data submitted to IDOT was true and correct.

8. From fiscal year 2006 through fiscal year 2010, defendant PAMELA J. WARD and others known to the grand jury inflated the ridership data submitted to IDOT. Defendant PAMELA J. WARD knowingly submitted the false ridership data in order to fraudulently secure additional FTA grant funds for OTA and 10-15 Transit. These false statements resulted in obtaining excessive grant funds two years after the false data was reported.

COUNT 1
(False Statements)

9. The Grand Jury re-alleges paragraphs 1-7 of the Introductory Allegations as if fully set forth herein.

10. Between on or about July 1, 2006, and continuing to on or about June 30, 2007, in the Southern District of Iowa and elsewhere, the defendant, PAMELA J. WARD, did knowingly and willfully make materially false, fictitious, and fraudulent statements and representations concerning a matter within the jurisdiction of the United States Department of Transportation, to wit: falsely inflated ridership data in support of the distribution of Section 5311 grant funds to the Ottumwa Transit Authority and 10-15 Transit.

This is a violation of Title 18, United States Code, Section 1001(a)(2).

THE GRAND JURY FURTHER CHARGES:

COUNT 2
(False Statements)

11. The Grand Jury re-alleges paragraphs 1-7 of the Introductory Allegations as if fully set forth herein.

12. Between on or about July 1, 2007, and continuing to on or about June 30, 2008, in the Southern District of Iowa and elsewhere, the defendant, PAMELA J. WARD, did knowingly and willfully make materially false, fictitious, and fraudulent statements and representations concerning a matter within the jurisdiction of the United States Department of Transportation, to wit: falsely inflated ridership data in support of the distribution of Section 5311 grant funds to the Ottumwa Transit Authority and 10-15 Transit.

This is a violation of Title 18, United States Code, Section 1001(a)(2).

THE GRAND JURY FURTHER CHARGES:

COUNT 3
(False Statements)

13. The Grand Jury re-alleges paragraphs 1-7 of the Introductory Allegations as if fully set forth herein.

14. Between on or about July 1, 2008, and continuing to on or about June 30, 2009, in the Southern District of Iowa and elsewhere, the defendant, PAMELA J. WARD, did knowingly and willfully make materially false, fictitious, and fraudulent statements and representations concerning a matter within the jurisdiction of the United States Department of Transportation, to wit: falsely inflated ridership data in support of the distribution of Section 5311 grant funds to the Ottumwa Transit Authority and 10-15 Transit.

This is a violation of Title 18, United States Code, Section 1001(a)(2).

THE GRAND JURY FURTHER CHARGES:

COUNT 4
(False Statements)

15. The Grand Jury re-alleges paragraphs 1-7 of the Introductory Allegations as if fully set forth herein.

16. Between on or about July 1, 2009, and continuing to on or about June 30, 2010, in the Southern District of Iowa and elsewhere, the defendant, PAMELA J. WARD, did knowingly and willfully make materially false, fictitious, and fraudulent statements and representations concerning a matter within the jurisdiction of the United States Department of Transportation, to wit: falsely inflated ridership data in support of the distribution of Section 5311 grant funds to the Ottumwa Transit Authority and 10-15 Transit.

This is a violation of Title 18, United States Code, Section 1001(a)(2).

A TRUE BILL

/s/
FOREPERSON

Nicholas A. Klinefeldt
United States Attorney

By: /s/ John S. Courter
John S. Courter
Assistant United States Attorney